



# Department of Justice

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January 11, 1993

**SUMMARY OF ANTITRUST ENFORCEMENT ACTIONS  
FOR PUBLIC RELEASE  
FOR MONDAY, JAN. 04, 1993 THROUGH FRIDAY, JAN. 08, 1993**

1/07/93      Department of Justice Issues Business Review Letter

In a letter from J. Mark Gidley, Acting Assistant Attorney General in charge of the Antitrust Division, to counsel for University Hospitals of Cleveland ("UHC"), a teaching hospital affiliated with Case Western Reserve University School of Medicine ("Case Western"), the Department announced that it does not intend to challenge, under the antitrust laws, a proposal by Case Western and UHC to use a single agent to negotiate contract terms and fees with third-party payers on behalf of the nineteen separate physician practice groups that provide medical care at UHC. Safeguards built into the proposal ensure that it is unlikely to increase the availability of fee and cost information among competing providers and therefore is unlikely to facilitate collusion. Moreover, there appears to be a procompetitive justification for the proposal. Their present system of each of the nineteen practice groups negotiating and contracting separately with third-party payers has become burdensome and unwieldy. Changing the method of negotiation is expected to lower the costs associated with contracting by expediting negotiations and facilitating the bargaining process.

Copies of legal filings are available from the Legal Procedure Unit, Antitrust Division, Room 3233, Telephone No.: 514-2481.